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SUBJECT: USG-GOSS MEETING ON SOUTHERN SUDAN AGRICULTURAL SECTOR

SUMMARY

¶11. (U) SUMMARY: On Monday, May 25, USAID provided a presentation to Government of Southern Sudan (GoSS) officials regarding a USAID assessment and recommendations for possible interventions in the agricultural sector. The audience included officials from a number of the GOSS Ministries, as well as county and district representatives. The presentation focused on the design methodology, the criteria used to prioritize possible commodities and regions to be included, and the need for further analysis as an activity is developed. The draft report was favorably received, and comments from attendees focused on the need to continue collaboration with the GoSS, USAID, donors, and other stakeholders as the program design moves forward. END SUMMARY.

AGRICULTURAL PRODUCTIVITY ASSESSMENT

¶12. (U) The major constraints to agricultural productivity in Southern Sudan include: the large number of post-conflict returnees; low use - or a complete lack of - improved technologies and practices; poor infrastructure that inhibits market access and the extremely weak delivery of services by both the public and private sectors. These are the findings of a USAID evaluation on the feasibility of the South to harness its potential to increase agricultural productivity and raise the incomes of the rural population.

¶13. (U) The evaluation results were announced Monday, May 25th in Juba, Sudan at a presentation for representatives of the GoSS. The US Government's commitment to Sudan extends to issues of food security nationwide and includes plans for a multi-year, multi-million dollar agricultural initiative. The evaluation report was the first step in whether Southern Sudan can both increase the food supply for its residents and become an exporter of agricultural commodities. Potential consumers of food exports include Northern Sudan, and neighboring countries such as the Central African Republic, the Democratic Republic of the Congo, Uganda, Kenya and Ethiopia.

¶14. (U) The evaluation noted that extensive capacity-building activities would be required to train residents to adopt modern agricultural practices and new seed varieties. To further assist the GoSS to achieve its goal of revitalizing agriculture and building trade and markets in Southern Sudan, several key activities are likely to emerge: improving business and management skills among farmers and small and medium enterprises (SMEs); increasing public sector capacity in policy development and strategic planning; promoting rural finance to farmers and SMEs; and encouraging ongoing USAID road construction to build and/or rehabilitate feeder roads to

improve market access.

15. (U) The team announced USAID's intention to initially focus on the three "greenbelt" states of Eastern, Central and Western Equatoria in the implementation of this new agricultural initiative. The team also recommended that the program initially focus on crops such as groundnuts, sorghum, cassava, rice, and maize as well as other commodities, including livestock and horticultural products.

GOSS RESPONSE TO ASSESSMENT

16. (U) The initial response from the GoSS regarding the initiative was favorable, with a representative of the GoSS Ministry of Agriculture and Forestry calling the report thorough and the project carefully conceived. However, representative ministries at both the GoSS and State levels questioned the team's assertion that safety and security issues in Eastern and Western Equatoria states are cause for concern. They urged USAID to exercise flexibility in factoring in these concerns when making the final selection of communities to be served by the initiative. Attendees also urged USAID not to let safety and security issues override all other important selection criteria, such as agricultural production potential, proximity to sizable markets, and the serious need for assistance.

17. (U) In addition, GoSS representatives strongly urged USAID to consider methods of formally incorporating government stakeholders into the process of developing the new initiative. In response, USAID emphasized that it is committed to being as inclusive and consultative as possible, and insisted that it would keep the

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government fully abreast of each of the program's phases and developments, and seek to incorporate their priorities in future discussions and planning documents.

NEXT STEPS

18. (U) Both USAID and the assessment team will incorporate feedback from attendees of the review session, and prioritize their recommendations. USAID will then coordinate with GoSS and regional officials to formalize a bilateral working group in order to formalize GoSS participation and guidance throughout the initiative's implementation. The assessment team is now developing a draft scope-of-work for the program to eventually solicit proposals from NGOs and other development partners to implement it. USAID's goal is to start up the initiative by the end of calendar year 2009.

ASQUINO